

**COMMUNITY PARTNERSHIP OF
SOUTHERN ARIZONA, INC.**

YEAR ENDED JUNE 30, 2008

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

YEAR ENDED JUNE 30, 2008

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Independent Auditors' Report

Board of Directors
Community Partnership of Southern Arizona, Inc.
Tucson, Arizona

We have audited the accompanying consolidated balance sheet of Community Partnership of Southern Arizona, Inc. (CPSA) as of June 30, 2008, and the related consolidated statements of activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards established by the AICPA Auditing Standards Board and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Community Partnership of Southern Arizona, Inc. as of June 30, 2008, and the changes in their net assets and their cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report, dated October 3, 2008, on our consideration of CPSA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Accordingly, we express no such opinion. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

October 3, 2008

Beach, Fleischman & Co., P.C.

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COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

CONSOLIDATED BALANCE SHEET

JUNE 30, 2008

ASSETS

Current assets:

Cash and cash equivalents	\$ 29,898,752
Investments	16,811,080
Due from the Arizona Department of Health Services	2,229,596
Other receivables	1,450,117
Prepaid expenses and other	<u>810,318</u>
Total current assets	<u>51,199,863</u>

Property and equipment, net	<u>11,663,013</u>
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Other assets:

Bond issuance costs, net	50,474
Deposits	<u>69,448</u>
	<u>119,922</u>
	<u>\$ 62,982,798</u>

LIABILITIES AND NET ASSETS

Current liabilities:

Current portion of long-term debt	\$ 300,000
Accounts payable	2,159,686
Behavioral healthcare services payable	9,171,902
Recoupment liabilities due to the Arizona Department of Health Services	4,202,624
Accrued liabilities	1,211,973
Deferred revenue	111,471
Other current liabilities	<u>3,980</u>

Total current liabilities	17,161,636
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Long-term debt, net of current portion	3,400,000
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Liability under interest rate swap agreement	<u>56,360</u>
	20,617,996

Commitments and contingencies

Unrestricted net assets	<u>42,364,802</u>
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\$ 62,982,798

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2008

Revenues:

Net capitation premiums	\$211,022,064
Client service	45,205,895
Interest and other income	<u>4,961,124</u>
	<u>261,189,083</u>

Expenses:

Behavioral healthcare services	203,025,734
Drugs and medical supplies	33,303,694
Grants and other	2,352,910
Administrative and operating:	
Salaries and benefits	10,934,974
Professional and outside services	1,610,537
Occupancy	3,175,818
Depreciation and amortization	1,487,735
Supplies and other	<u>3,964,991</u>
	<u>259,856,393</u>

Increase in net assets	1,332,690
Unrestricted net assets, beginning	<u>41,032,112</u>
Unrestricted net assets, ending	<u>\$ 42,364,802</u>

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2008

Cash flows from operating activities:	
Increase in unrestricted net assets	\$ 1,332,690
Adjustments to reconcile increase in unrestricted net assets to net cash provided by operating activities:	
Loss on disposal of assets	9,589
Depreciation and amortization	1,904,491
Amortization of bond issuance costs	5,006
Noncash loss on interest rate swap agreement	60,697
Changes in operating assets and liabilities:	
Due from the Arizona Department of Health Services	1,895,002
Other receivables	1,537,357
Prepaid expenses and other	(128,225)
Deposits	(43,932)
Accounts payable and accrued liabilities	546,436
Claims and behavioral healthcare services payable	1,075,286
Recoupment liabilities due to the Arizona Department of Health Services	3,895,008
Other current liabilities	(28,927)
Deferred revenue	<u>76,840</u>
Total adjustments	<u>10,804,628</u>
Net cash provided by operating activities	<u>12,137,318</u>
Cash flows from investing activities:	
Purchases of property and equipment	(796,235)
Purchases of investments	(27,701,842)
Proceeds from sales and maturities of investments	<u>32,435,793</u>
Net cash provided by investing activities	<u>3,937,716</u>
Cash flows from financing activities:	
Principal payments on long-term debt	<u>(291,668)</u>
Net cash used in financing activities	<u>(291,668)</u>
Net increase in cash and cash equivalents	15,783,366
Cash and cash equivalents, beginning	<u>14,115,386</u>
Cash and cash equivalents, ending	<u>\$ 29,898,752</u>

See notes to consolidated financial statements.

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

1. Description of organization and summary of significant accounting policies:

Description of organization:

Community Partnership of Southern Arizona, Inc. (CPSA or the Organization) located in Tucson, Arizona, is an Arizona not-for-profit corporation. Incorporated in February 1995, CPSA was initially formed by three corporations (corporate members).

Community Behavioral Health Properties of Southern Arizona, LLC (CBHP) was organized in July 2002 for the purpose of acquiring and holding real estate and related debt. Community Partnership Housing, LLC (CPH) was organized in February 2008 for the purpose of developing, owning, improving and operating housing that is affordable to low and moderate income people receiving behavioral health services. Community Partnership Housing - Elvira, LLC (CPH Elvira) was organized in February 2008 for the purpose of developing, owning, improving and operating housing that is affordable to low and moderate income young adults receiving behavioral health services. CBHP, CPH and CPH Elvira are wholly owned subsidiaries of CPSA. CPH and CPH Elvira had no significant activity in 2008.

Through a contract with the Arizona Department of Health Services (ADHS), which expires June 30, 2009, CPSA has been designated as the Regional Behavioral Health Authority (RBHA) for the geographic service area of Pima County (GSA 5) and the four southeastern Arizona counties of Cochise, Graham, Greenlee and Santa Cruz (GSA 3). CPSA is responsible for managing and maintaining an organized, comprehensive behavioral healthcare delivery system for the benefit of eligible members within its geographic service area. Substantially all of CPSA's revenues and cash flows are from its contract with ADHS.

CPSA functions as a behavioral health management organization and, except for member services functions, does not provide direct healthcare services to eligible members. Direct behavioral healthcare services are provided to eligible members by a network of subcontracted service providers.

Principles of consolidation:

The consolidated financial statements include the accounts of CPSA and its wholly owned subsidiaries, CBHP, CPH and CPH Elvira. All significant intercompany balances and transactions have been eliminated in consolidation.

Basis of presentation:

The accompanying financial statements have been prepared in accordance with the standards of accounting and financial reporting under the AICPA Audit and Accounting Guide, *Health Care Organizations* and the Accounting and Auditing Procedures Manual for ADHS Funded Programs.

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2008

1. Description of organization and summary of significant accounting policies (continued):

Estimates:

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CPSA considers the estimate of its behavioral healthcare services payable to be a critical accounting policy requiring extensive subjective judgment. CPSA bases its estimate on historical experience and other assumptions believed to be reasonable under the circumstances. Actual results could differ from its estimates under different assumptions or conditions.

For the year ended June 30, 2007, the Behavioral healthcare services payable included an estimated accrual of \$4,372,229 for Hospital, Out of Area, and Residential Treatment Center bed days based on the available encounter/payer information. In 2008, management revised the accounting estimate downward by approximately \$920,000 based on a more complete encounter/payor information.

Revenue recognition:

ADHS capitation premium revenue:

CPSA's contract with ADHS requires CPSA to provide behavioral healthcare services to all Arizona Health Care Cost Containment System (AHCCCS) eligible (Title XIX), KidsCare (Title XXI) and HIFA (Title XXI) enrollees within its geographic service area. Under this agreement, CPSA receives monthly payments from ADHS based on a capitated rate and the number of AHCCCS, KidsCare and HIFA AHCCCS eligibles for covered services during that month, regardless of services actually performed by CPSA's subcontracted providers. Capitation premiums are recognized in the month payment is received. CPSA assumes the risk for claims in excess of those payments. However, surpluses and losses derived from capitated revenue are subject to a service profit and loss corridor not to exceed plus or minus four percent. Revenue for Title XIX exceeded the contractual profit maximum for the year ended June 30, 2008 by \$3,899,969. This amount is included in recoupment liabilities due ADHS in the accompanying consolidated balance sheet.

KidsCare and HIFA Title XXI premium revenue:

These ADHS contract revenues are included in capitation premium revenue and are accounted for as described above. Revenue for Title XXI exceeded the contractual profit maximum for the year ended June 30, 2008 by \$302,655. This amount is included in recoupment liabilities due ADHS in the accompanying consolidated balance sheet.

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2008

1. Description of organization and summary of significant accounting policies (continued):

Revenue recognition (continued):

ADHS subvention Non-Title XIX revenue:

CPSA's contract with ADHS provides for payment to CPSA at a monthly rate equal to one-twelfth of specified annual contract maximums under ADHS Non-Title XIX/XXI Subvention Allocation Schedule. CPSA recognizes these funds as revenue when received, except for unexpended Federal Block Grant funds as of June 30 that must be deferred at June 30. ADHS policies require CPSA to return any unexpended Federal Block Grant funds if they remain unexpended for one year beyond when ADHS has granted them. Surpluses derived from Non-Title XIX revenue are subject to a service profit not to exceed four percent.

Subvention programs provide behavioral healthcare services to lower income, uninsured or underinsured individuals not eligible for behavioral healthcare coverage under AHCCCS Medicaid, KidsCare or HIFA capitated programs. Subvention programs are funded through a combination of federal mental health block grant funds, Pima County funds and State of Arizona appropriated funds administered by ADHS.

CPSA has programs for which deferred revenue is recorded at June 30, 2008. The primary programs are funded through Department of Corrections and Substance Abuse Federal Block Grants. At June 30, 2008, CPSA deferred \$59,371 related to this program and \$52,100 in deferred rental revenue for CBHP.

Behavioral healthcare service cost recognition:

CPSA contracts with various Networks, including corporate members, for the provision of a full range of behavioral healthcare services to AHCCCS eligible and enrolled Title XIX and Title XXI, Non-Title XIX adults with serious mental illnesses, and children for Non-Title XIX programs. The Networks are compensated on a one-twelfth installment basis up to an annual contract ceiling for enrolled clients in these categories. Under this arrangement, the Networks are at risk for providing healthcare services to eligible enrollees as specified in the agreements, including costs that exceed their annual contract ceiling payments. These services accounted for 72% of CPSA's behavioral healthcare service expenses in 2008.

The cost of all other behavioral healthcare services is on a cost-reimbursement, one-twelfth installment or block-purchase basis subject to contract ceilings for certain programs. These costs are accrued in the period in which the service is provided to eligible recipients. These services accounted for 18% of CPSA's behavioral healthcare service expenses in 2008.

Cash and cash equivalents:

CPSA considers all highly liquid debt instruments with an original purchased maturity of three months or less to be cash equivalents. CPSA routinely invests its surplus operating funds in overnight repurchase arrangements with a financial institution and in highly liquid U.S. government securities. Cash equivalents are reported at their estimated fair value.

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2008

1. Description of organization and summary of significant accounting policies (continued):

Cash and cash equivalents (continued):

CPSA places its cash and cash equivalents with high quality credit institutions. At times, such investments may be in excess of the FDIC insurance limit; however, management does not believe it is exposed to any significant credit risk on cash and cash equivalents.

Receivables:

Receivables primarily consist of amounts billed and currently due from governmental agencies. Contractually, CPSA grants unsecured trade credit without interest to ADHS and others. The Organization has not experienced any significant past due accounts. Based on historical collections, accounts receivable are considered fully collectible by management.

Investments:

CPSA carries investments in marketable securities with readily determinable fair values and all debt securities at fair value in the balance sheet. Unrealized gains and losses are included in the change in net assets.

Realized gains or losses on disposition of investments are recorded on a trade date basis using the specific identification method. The fair value of investment securities is estimated based upon the last trade price on a national securities exchange or in the over-the-counter market.

Property, equipment, depreciation and amortization:

Property and equipment are recorded at cost. Depreciation and amortization are calculated using the straight-line method over the estimated useful lives of the assets. Expenditures for major improvements to property are capitalized and expenditures for repairs and maintenance are expensed as incurred.

<u>Asset</u>	<u>Useful life</u>
Building	Lesser of useful life or 40 years
Furniture and Equipment	3 - 5 years
Leasehold improvements	Lesser of term of lease or useful life of building

Allocation of common expenses:

Certain direct, indirect and administrative expenses are incurred that benefit more than one program. Such common expenses are allocated based upon a cost allocation plan using management's estimates, which are primarily based upon enrollment, claims and costs by lines of business.

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2008

1. Description of organization and summary of significant accounting policies (continued):

Income taxes:

CPSA is a Section 501(c)(3) organization exempt from taxation under Internal Revenue Code Section 501(a). CBHP, CPH & CPH Elvira are single-member LLC, which are disregarded entities for income tax purposes. Accordingly, no provision is required in the financial statements for federal and state income taxes. However, certain unrelated business income may be subject to income tax.

2. Investments:

Investments carried at fair value are comprised of the following:

Government bonds	\$ 661,278
Asset backed bonds	<u>16,149,802</u>
	<u>\$ 16,811,080</u>

Net investment income is as follows:

Interest and dividends	\$ 1,406,767
Net realized and unrealized gain	<u>188,042</u>
	<u>\$ 1,594,809</u>

3. Other receivables:

Grants:

Billed	\$ 37,649
Unbilled	148,683
Provider receivables	965,352
Housing:	
Billed	85,693
Unbilled	146,158
Interest	57,918
Rent	<u>8,664</u>
	<u>\$ 1,450,117</u>

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2008

4. Property and equipment:

Land	\$ 2,265,833
Building	9,406,193
Construction in progress	9,909
Furniture and equipment	8,876,563
Leasehold improvements	<u>117,778</u>
	20,676,276
Less accumulated depreciation and amortization	<u>9,013,263</u>
	<u>\$ 11,663,013</u>

5. Performance bond:

CPSA's contract with ADHS requires a performance bond to fund any potential losses incurred equal to amounts based on gross payments, as specified in the contract. The ADHS performance bond requirement for the year ending June 30, 2009 of approximately \$24 million has been obtained with the renewal of surety bonds through June 30, 2009 of \$12,757,955 with Traveler's Insurance and \$10,852,599 with Safeco Insurance.

6. Recoupment liabilities:

ADHS encounter policy requirements:

ADHS issued a policy that requires CPSA to report minimum percentages of encounters to non administrative ADHS payments, reaching 85% at June 30. ADHS evaluates on a quarterly, year-to-date basis by Title XIX, Title XXI and Non-Title XIX programs, the percentage of encounter data to ADHS payments. In the event CPSA does not reach the required threshold, ADHS may withhold from future payments an amount equal to the lesser of 2% of non-administrative payments made in the period being evaluated or the actual deficiency. ADHS will refund amounts previously withheld upon CPSA attaining the required encounter percentage within eight months after June 30.

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2008

6. Other liabilities (continued):

ADHS encounter policy requirements (continued):

ADHS will not complete its analysis for 2008 encounter reporting until February 2009. Since CPSA management cannot reasonably estimate the 2008 withhold, if any, CPSA's policy is to accrue a liability when a determination is made by ADHS. As a result, CPSA has not accrued any withhold liability for the year ended June 30, 2008. Pursuant to ADHS Division of Behavioral Health Services (DBHS) correspondence dated August 24, 2006, ADHS/DBHS decided to provide CPSA with encounter withhold relief for 2005 from financial penalties that were assessed and not collected for CPSA's failure to meet its contractual obligations of the 85% encounter threshold for 2005. This decision was contingent upon CPSA's commitment to, and implementation of, a plan submitted by CPSA to ADHS/DBHS on July 21, 2006, to expend the calculated withholds of \$3,646,331 for intensive recovery teams using net assets. At September 30, 2008, CPSA expended the full amount, and therefore no balance has been included as designated unrestricted net assets on the consolidated balance sheet.

7. Long-term debt:

The Arizona Health Facilities Authority sold 2002 Series bonds on behalf of CBHP for \$5,075,000 in August 2002. Monthly interest payments are made based on weekly variable rates determined by Bond Market Association (BMA) Municipal bond index. The bond is secured by a letter of credit amounting to \$3,862,569 along with a pledge agreement and deed of trust on real property. At June 30, 2008, there was \$3,700,000 outstanding on the bond payable.

CBHP is required to make monthly payments into a sinking fund account in order to make annual principal payments. The next scheduled principal payments will be paid out of the sinking fund account. The sinking fund account held a balance of \$100,010 at June 30, 2008. This amount has been offset to the related debt as of June 30, 2008. The total amounts required to be deposited into the sinking fund account are as follows:

Year ending <u>June 30,</u>	
2009	\$ 300,000
2010	311,668
2011	328,330
2012	333,661
2013	351,662
Thereafter	<u>2,074,679</u>
	<u>\$ 3,700,000</u>

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2008

8. Interest rate swap agreement:

The Series 2002 bonds payable bear interest at Bond Market Association (BMA), which was 1.55% at June 30, 2008. However, CBHP entered into a separate interest rate swap agreement with Wells Fargo that effectively converts the interest rate on the note to 3.3%. Under the swap agreement, the CBHP pays interest at the fixed rate and receives interest at BMA. The notional amount under the swap decreases as principal payments are made on the bonds so that the notional amount equals the principal outstanding under the bond. The swap is designed to hedge the risk of changes in interest payments on the note caused by changes in BMA.

The swap was issued at market terms so that they had no fair value at inception. As required by U.S. generally accepted accounting principles, the carrying amount of the swap has been adjusted to fair value at June 30, 2008, which because of changes forecasted in levels of BMA, resulted in reporting a liability for the fair value of the future net payments forecasted under the swap. The change in fair value is recorded as a decrease in the change in net assets for 2008 and the liability is classified as noncurrent since management does not intend to settle the swap before June 30, 2009.

9. Related party transactions and concentrations:

CPSA has contracted with SouthEastern Behavioral Health Services, Inc. (SEABHS), a member, to be the designated Network for behavioral healthcare services in GSA 3. This agreement expires annually in June and has been renewed through June 2009. Total expense for behavioral healthcare services provided by SEABHS aggregated approximately \$28.9 million in 2008. SEABHS accounted for 14% of behavioral healthcare services expense in 2008.

CPSA has contracted with five Networks in Pima County to provide behavioral healthcare services. Three of these Networks are related parties through affiliation with Behavioral Health Coalition of Southern Arizona (BHC), a member.

CPSA has contracted with 13 providers who are members of BHC to provide behavioral healthcare services in Pima County. Agreements with these providers typically expire annually in June and have been renewed at CPSA's option through June 2009. Amounts payable to these providers aggregated approximately \$1.9 million as of June 30, 2008 and are included in claims and behavioral healthcare services payable. BHC accounted for 51% of behavioral healthcare services expense in 2008, of which the three Networks accounted for 44% of behavioral healthcare services expense in 2008.

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2008

10. Retirement benefits:

401(k) defined contribution savings plan:

CPSA has a 401(k) defined contribution employee savings plan for its eligible employees. Eligible employees may make contributions to the 401(k) Plan not to exceed specified annual ceiling amounts. CPSA may make discretionary contributions to be allocated ratably among participating employees. Participants vest 100% immediately in employee contributions and ratably over a period of three years in discretionary CPSA contributions. CPSA's contribution to the Plan was approximately \$658,000 for 2008.

SERP:

CPSA has a supplemental executive retirement plan (SERP) set up for its chief executive officer. Contributions to the Plan are made at the discretion of the Board of Directors and was approximately \$26,000 for 2008.

11. Commitments and contingencies:

Operating leases:

CPSA and CBHP lease various equipment and office space under operating lease agreements expiring at various dates through June 2011, all of which have early termination clauses. In addition, CBHP has a 36-month management agreement with a third party through June 30, 2009 for services including housekeeping, plant operations, nutrition and training.

Future minimum lease payments are as follows:

Year ending <u>June 30,</u>	
2009	\$ 1,756,992
2010	907,570
2011	<u>11,820</u>
	<u>\$ 2,676,382</u>

Total rent expense was \$1,521,808 in 2008.

Litigation:

CPSA is party to certain pending or threatened lawsuits arising out of or incident to the ordinary course of business for which it carries general liability and other insurance coverages. In the opinion of management and based upon consultation with legal counsel, resolution of the pending or threatened lawsuits will not have a material adverse effect on CPSA's financial statements.

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2008

11. Commitments and contingencies (continued):

Contract compliance:

Capital risk requirements:

Pursuant to its contract with ADHS, CPSA must annually maintain a minimum capitalization requirement of net assets greater than or equal to 90% of the monthly capitation and Non-Title XIX/XXI payments received under the contract, excluding the performance bond investments.

Viability ratios:

CPSA's contract with ADHS contains various quarterly financial performance requirements including required minimum liquidity ratio, administrative cost percentages and service expense percentages. CPSA was not in compliance with certain service expense and administrative expense percentages. The CPSA Board of Directors has approved variances in certain viability ratios to meet behavioral health community needs. CPSA has informed ADHS of the reasons for the variances and ADHS has not informed CPSA of any required corrective action.

Other:

Should CPSA be in default of any material obligation under its contract with ADHS, ADHS may, at its discretion, in addition to other remedies, either adjust the amount of future payment or withhold future payment until satisfactory resolution of the default or exception. In addition, although it has expressed no intention to do so, ADHS has the right to terminate the contract in whole or in part without cause by giving CPSA 90 days written notice. Further, if monies are not appropriated by the state or are not otherwise available, the contract with ADHS may be canceled upon written notice until such monies are so appropriated or available.

Compliance with laws and regulations:

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse regulations. Government activity continues with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs, together with the imposition of significant fines and penalties as well as significant repayments for patient services previously billed. Management believes that CPSA is in compliance with fraud and abuse regulations, as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future review and interpretation as well as regulatory actions unknown or unasserted at this time.

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2008

12. Functional expenses:

Program services	\$238,682,338
Administrative and operating	<u>21,174,055</u>
	<u>\$259,856,393</u>

13. Statement of cash flows:

Supplemental disclosure of cash flow information:

Interest expense and cash paid for interest was \$113,225 for 2008.

14. Subsequent events:

In August 2008, CPSA placed their building located on 4575 E. Broadway on the market for sale. At June 30, 2008, the carrying value of the land and building was \$1,652,245.



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Community Partnership of Southern Arizona, Inc.
Tucson, Arizona

We have audited the accompanying consolidated statements of activities (as defined in the contract dated July 1, 2000, between Community Partnership of Southern Arizona, Inc. (CPSA) and the Arizona Department of Health Services - Division of Behavioral Health Services (the "ADHS-DBHS")) of CPSA for the year ended June 30, 2008. These consolidated statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these consolidated statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards established by the AICPA Auditing Standards Board and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated statements of activities referred to above present fairly, in all material respects, the activities of Community Partnership of Southern Arizona, Inc. as of June 30, 2008, as defined in the contract referred to in the first paragraph.

This report is intended solely for the information and use of the boards of directors, management of Community Partnership of Southern Arizona, the State of Arizona and the ADHS-DBHS, and is not intended to be and should not be used by anyone other than these specified parties.

October 3, 2008

Beach & Fleischman & Co., P.C.

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COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES BY LINE OF BUSINESS - GSA 3&5
YEAR ENDED JUNE 30, 2008

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
REVENUES																							
401 Revenue Under ADHS Contract																							
a ADHS Revenue	\$ 44,281,576	\$ 38,253,506	\$ 1,649,546	\$ 3,756,234	\$ 3,341,618	-	\$ 70,908,466	\$ 2,904,174	\$ 22,227,154	\$ 136,605	\$ 70,734	\$ 196,982	\$ 49,100,649	\$ 360,843	\$ 3,562,382	\$ 9,357,423	\$ 2,969,348	\$ 15,600	\$ 522,457	\$ -	\$ 253,615,297	-	\$ 253,615,297
b ADHS Revenue - Qualifying Incentive Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 1,046,053	-	1,046,053
402 Specialty & Other Grants*	14,350	-	-	-	-	-	-	-	-	-	-	-	61,291	-	-	-	-	-	-	2,537,021	2,612,662	-	2,612,662
403 Client Fees (Co-pays)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
404 Third Party Recoveries																							
a Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
b Other Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
405 Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,578,435	-	1,578,435
406 Other Funding Sources - Non ADHS*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	233,281	-	233,281
407 Unrelated Business Activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,103,355	-	2,103,355
408 TOTAL REVENUE	\$ 44,295,926	\$ 38,253,506	\$ 1,649,546	\$ 3,756,234	\$ 3,341,618	\$ -	\$ 70,908,466	\$ 2,904,174	\$ 22,227,154	\$ 136,605	\$ 70,734	\$ 196,982	\$ 49,161,940	\$ 360,843	\$ 3,562,382	\$ 9,357,423	\$ 2,969,348	\$ 15,600	\$ 522,457	\$ 2,537,021	\$ 256,227,959	\$ 4,961,124	\$ 261,189,083
EXPENSES																							
Service Expenses:																							
501 Treatment Services																							
a Counseling																							
1 Counseling, Individual	2,441,661	1,864,615	23,313	125,747	180,020	-	1,694,734	29,700	583,096	1,332	2,616	-	1,692,816	29,058	23,499	186,636	-	-	10,488	-	8,889,331	-	8,889,331
2 Counseling, Family	3,323,944	1,666,522	34,453	110,913	272,040	-	61,598	4,179	22,231	815	1,472	-	149,704	5,374	3,274	4,384	-	-	917	-	5,661,820	-	5,661,820
3 Counseling, Group	589,107	210,329	984	33,966	38,668	-	1,029,468	8,799	301,231	603	2,877	-	1,568,599	8,665	20,084	457,144	-	-	190,553	-	4,461,077	-	4,461,077
b Consultation, Assessment & Specialized Testing	4,480,544	1,670,203	50,579	187,107	365,995	-	1,927,123	48,639	656,216	7,522	5,603	-	3,750,087	55,085	92,244	357,338	-	-	126,659	-	13,780,944	-	13,780,944
c Other Professional	76	-	-	-	15	-	-	-	2,063	-	-	-	-	3	1,599	9,053	-	-	-	-	12,809	-	12,809
d Total Treatment Services	10,835,332	5,411,669	109,329	457,733	856,738	-	4,712,923	91,317	1,564,837	10,272	12,568	-	7,161,206	98,185	140,700	1,014,555	-	-	328,617	-	32,805,981	-	32,805,981
502 Rehabilitation Services																							
a Living Skills Training	1,134,134	2,127,390	11,031	52,713	54,974	-	4,814,184	264,990	567,370	494	693	-	887,191	4,098	13,993	53,543	-	-	22,662	-	10,009,460	-	10,009,460
b Cognitive Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
c Health Promotion	177,898	132,811	2,129	6,941	17,911	-	213,384	11,440	40,650	75	200	-	147,238	967	2,088	18,248	-	-	1,072	-	773,052	-	773,052
d Supported Employment Services	2,288	1,631	-	33	82	-	742,704	460	70,872	317	-	-	39,060	-	675	1,170	-	-	74	-	859,366	-	859,366
e Total Rehabilitation Services	1,314,320	2,261,832	13,160	59,687	72,967	-	5,770,272	276,890	678,892	886	893	-	1,073,489	5,065	16,756	72,961	-	-	23,808	-	11,641,878	-	11,641,878
503 Medical Services																							
a Medication Services	3,733	542	-	73	-	-	1,202,192	15,583	290,731	-	-	-	1,413,442	7,618	6,285	464,590	-	-	63	-	3,404,852	-	3,404,852
b Medical Management	1,568,108	406,432	34,684	40,312	139,543	-	2,901,830	51,906	801,347	14,196	1,278	-	1,897,145	29,038	46,646	67,472	-	-	1,712	-	8,001,649	-	8,001,649
c Laboratory, Radiology & Medical Imaging	49,215	13,296	1,391	755	5,358	-	130,472	5,018	40,138	762	132	-	189,734	933	925	24,822	-	-	174	-	463,125	-	463,125
d Electro-Convulsive Therapy	-	-	-	-	-	-	(13,797)	-	(6,404)	-	-	-	5,950	-	-	-	-	-	-	-	(14,251)	-	(14,251)
e Total Medical Services	1,621,056	420,270	36,075	41,140	144,901	-	4,220,697	72,507	1,125,812	14,958	1,410	-	3,506,271	37,589	53,856	556,884	-	-	1,949	-	11,855,375	-	11,855,375
504 Support Services																							
a Case Management	9,734,377	7,944,374	151,559	549,610	599,874	-	14,469,705	275,087	3,489,298	46,422	10,026	182,208	8,101,400	81,047	171,723	636,435	-	-	114,913	-	46,558,058	-	46,558,058
b Personal Assistance	105,769	409,217	56,286	1,169	21,557	-	3,477,793	579,783	539,701	-	48	-	1,951,066	-	7,523	2,995	-	-	-	-	7,152,907	-	7,152,907
c Family Support	519,824	536,174	11,593	21,659	36,186	-	37,295	2,272	5,163	-	24	-	44,787	197	487	8,797	-	-	-	-	1,224,458	-	1,224,458
d Peer Support	138,474	64,138	1,880	2,640	20,760	-	254,386	543	39,632	-	145	-	78,974	231	887	10,894	-	-	179	-	613,763	-	613,763
e Therapeutic Foster Care Services	540,440	7,491,230	19,571	11,062	4,291	-	536,344	28,919	38,462	-	-	-	43,725	-	813	-	-	-	-	-	8,714,857	-	8,714,857
f Respite Care	962,287	570,545	5,613	7,920	62,333	-	114,211	342	301	-	-	-	19,908	-	6	316	-	-	-	-	1,743,782	-	1,743,782
g Housing Support	-	901	82	13,725	-	-	-	31	177,433	-	-	-	-	31	870	19,534	-	-	-	-	212,607	-	212,607
h Interpreter Services	-	157,007	3,788	465,562	-	-	-	1,005	51,093	-	-	-	-	2,175	11,429	4,249	-	-	192	-	696,500	-	696,500
i Flex Fund Services	-	-	-	206,247	-	-	-	-	18,456	-	-	-	-	-	-	18,755	-	-	-	-	243,458	-	243,458
j Transportation	546,630	293,908	2,756	17,027	24,186	-	842,607	4,189	125,786	-	33	-	303,599	-	2,350	33,047	-	-	714	-	2,196,832	-	2,196,832
k Block Purchase NTXIX Consumer Drop In Center	-	-	-	-	-	-	1,093,325	46,983	285,774	1,000	-	-	550,925	-	-	48,607	-	-	-	-	2,026,614	-	2,026,614
l Total Support Services	12,547,801	17,467,494	253,128	1,296,621	769,187	-	20,825,666	939,154	4,771,099	47,422	10,276	182,208	11,094,384	83,681	196,088	783,629	-	-	115,998	-	71,383,836	-	71,383,836
505 Crisis Intervention Services																							
a Crisis Intervention - Mobile	445,061	112,952	8,543	115,743	29,229	-	271,2																

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES BY LINE OF BUSINESS - GSA 3&5
YEAR ENDED JUNE 30, 2008

		TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXIX CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXIX ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
507	Residential Services																							
a	Level II Behavioral Health Residential Facilities	1,953,212	2,752,250	19,178	49,414	63,439	-	6,602,278	7,136	988,911	4,341	595	-	5,150,479	2,012	47,910	2,047,044	-	-	7,514	-	19,695,713	-	19,695,713
b	Level III Behavioral Health Residential Facilities	323,812	1,298,342	-	25,725	13,071	-	655,180	1,502	26,360	-	-	-	12,705	-	-	-	-	-	-	-	2,356,697	-	2,356,697
c	Room and Board	-	124,539	14,051	176,566	-	-	-	5,695	1,129,423	1,199	-	-	-	888	72,542	1,594,234	-	-	5,549	-	3,124,686	-	3,124,686
d	Total Residential Services	2,277,024	4,175,131	33,229	251,705	76,510	-	7,257,458	14,333	2,144,694	5,540	595	-	5,163,184	2,900	120,452	3,641,278	-	-	13,063	-	25,177,096	-	25,177,096
508	Behavioral Health Day Program																							
a	Supervised Day Program	17,220	3,786	-	-	-	-	-	-	1,652	-	-	-	-	-	-	-	-	-	-	-	22,658	-	22,658
b	Therapeutic Day Program	613,347	360,264	1,624	30,154	85,861	-	36,926	1,759	15,360	-	-	-	90,837	-	801	25,114	-	-	44	-	1,262,091	-	1,262,091
c	Medical Day Program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Total Behavioral Health Day Program	630,567	364,050	1,624	30,154	85,861	-	36,926	1,759	17,012	-	-	-	90,837	-	801	25,114	-	-	44	-	1,284,749	-	1,284,749
509	Prevention Services																							
a	Prevention	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,326,673	-	-	-	2,326,673	-	2,326,673
b	HIV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	367,124	-	-	-	-	367,124	-	367,124
c	Total Prevention Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	367,124	2,326,673	-	-	-	2,693,797	-	2,693,797
510	Medication																							
a	Medication Expense	4,584,568	1,010,869	675,943	121,553	456,507	-	9,741,697	1,052,678	8,003,023	9,675	18,638	-	7,240,273	56,310	194,619	45,533	-	-	-	-	33,211,886	-	33,211,886
b	Less Pharmacy Rebate Received	(232,988)	(58,725)	(33,570)	(3,456)	(25,664)	-	(545,982)	(54,197)	(385,127)	(316)	(846)	-	(420,165)	(3,625)	(15,964)	(3,515)	-	-	-	-	(1,784,140)	-	(1,784,140)
c	Pharmacy Rebate Related Expense	229,763	57,074	33,570	3,357	25,624	-	537,493	54,165	382,657	316	818	-	406,851	3,601	8,665	1,709	-	-	-	-	1,745,663	-	1,745,663
d	Total Medication Services	4,581,343	1,009,218	675,943	121,454	456,467	-	9,733,208	1,052,646	8,000,553	9,675	18,610	-	7,226,959	56,286	187,320	43,727	-	-	-	-	33,173,409	-	33,173,409
511	Other ADHS Service Expenses Not Rpt'd Above*	782,067	284,427	64,780	519,785	89,359	-	1,063,685	96,520	997,782	1,302	4,066	630	1,530,992	14,265	318,380	773,047	208,162	15,900	15,552	-	6,780,701	-	6,780,701
512	ADHS/DOC COOL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
513	Subtotal ADHS Service Expenses	38,827,426	34,600,922	1,446,018	3,343,033	2,957,071	-	63,906,417	2,813,744	23,849,248	100,055	60,451	182,838	47,670,494	357,971	3,469,509	8,469,702	2,534,835	15,900	499,031	-	235,104,665	-	235,104,665
520	Service Expenses from Non ADHS Sources*	14,350	-	-	-	-	-	224,145	-	798,845	-	-	-	143,266	-	74,730	-	-	-	-	2,322,338	3,577,674	-	3,577,674
525	Total Service Expense	38,841,776	34,600,922	1,446,018	3,343,033	2,957,071	-	64,130,562	2,813,744	24,648,093	100,055	60,451	182,838	47,813,760	357,971	3,544,239	8,469,702	2,534,835	15,900	499,031	2,322,338	238,682,339	-	238,682,339
Administrative Expenses:																								
601	Salaries	1,388,023	1,233,251	57,596	120,030	101,741	-	2,315,811	96,962	836,306	1,815	1,885	2,414	1,775,399	12,164	134,611	348,311	185,129	-	27,465	-	8,638,913	-	8,638,913
602	Employee Benefits	368,864	327,830	15,311	31,896	27,048	-	615,412	25,779	222,295	483	502	642	471,889	3,236	35,804	92,576	49,191	-	7,303	-	2,296,061	-	2,296,061
603	Professional & Outside Services	258,399	229,505	10,718	22,347	18,931	-	431,126	18,042	155,650	337	351	449	330,446	2,262	25,033	64,831	34,470	-	5,110	-	1,608,007	-	1,608,007
604	Travel	54,834	48,774	2,278	4,741	4,026	-	91,482	3,836	33,065	72	75	95	70,183	482	5,336	13,767	7,310	-	1,087	-	341,443	-	341,443
605	Occupancy	279,808	248,695	11,615	24,195	20,520	-	466,830	19,556	168,632	367	381	487	357,971	2,454	27,164	70,227	37,314	-	5,540	-	1,741,756	-	1,741,756
606	Depreciation	160,744	142,716	6,665	13,902	11,770	-	268,200	11,217	96,799	209	218	279	205,518	1,405	15,554	40,324	21,447	-	3,177	-	1,000,144	-	1,000,144
607	All Other Operating*	169,292	98,122	6,813	9,846	20,069	-	349,329	13,014	68,093	3,373	606	191	244,774	3,041	10,656	28,423	14,697	-	2,172	-	1,042,511	1,661,966	2,704,477
608	Subtotal ADHS Administrative Expenses	2,679,954	2,328,893	110,996	226,957	204,105	-	4,538,190	188,406	1,580,840	6,656	4,018	4,557	3,456,180	25,044	254,158	658,459	349,558	-	51,854	-	16,668,835	1,661,966	18,330,801
650	Non ADHS Administrative Expenses*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
651	Unrelated Admin. Expense*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	586,022	586,022	-	586,022
652	Subtotal Administrative Expense	2,679,954	2,328,893	110,996	226,957	204,105	-	4,538,190	188,406	1,580,840	6,656	4,018	4,557	3,456,180	25,044	254,158	658,459	349,558	-	51,854	586,022	17,254,857	1,661,966	18,916,823
701	Unrelated Business Expenses*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,257,231	2,257,231
790	Income Tax Provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a	ADHS Income Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Non ADHS Income Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
799	Subtotal Income Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
800	TOTAL EXPENSES	41,521,740	36,929,815	1,557,014	3,569,990	3,161,176	-	68,668,752	3,002,150	26,228,933	106,711	64,469	187,395	51,269,940	383,015	3,798,397	9,128,161	2,884,393	15,900	550,885	2,908,360	255,937,196	3,919,197	259,856,393
801	INC/(DEC) IN NET ASSETS/EQUITY	\$ 2,774,186	\$ 1,323,691	\$ 92,532	\$ 186,244	\$ 180,442	\$ -	\$ 2,239,714	\$ (97,976)	\$ (4,001,779)	\$ 29,894	\$ 6,265	\$ 9,587	\$ (2,108,000)	\$ (22,172)	\$ (236,015)	\$ 229,262	\$ 84,955	\$ (300)	\$ (28,428)	\$ (371,339)	\$ 290,763	\$ 1,041,927	\$ 1,332,690

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES BY LINE OF BUSINESS - GSA 3
YEAR ENDED JUNE 30, 2008

		TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXIX CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXIX ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
REVENUES																								
401	Revenue Under ADHS Contract																							
a	ADHS Revenue	\$ 8,252,178	\$ 4,003,916	\$ 192,169	\$ 728,648	\$ 371,123	-	\$ 13,612,865	\$ 281,376	\$ 3,528,670	\$ 10,089	\$ 15,243	\$ 30,426	\$ 7,821,064	\$ 60,881	\$ 30,729	\$ 1,642,241	\$ 629,032	\$ 300	\$ 62,762	\$ -	\$ 41,273,712	-	\$ 41,273,712
b	ADHS Revenue - Qualifying Incentive Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 107,090	107,090
402	Specialty & Other Grants*	12,300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	275,483	287,783	-	287,783
403	Client Fees (Co-pays)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
404	Third Party Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a	Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Other Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
405	Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
406	Other Funding Sources - Non ADHS*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,656	14,656
407	Unrelated Business Activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
408	TOTAL REVENUE	\$ 8,264,478	\$ 4,003,916	\$ 192,169	\$ 728,648	\$ 371,123	\$ -	\$ 13,612,865	\$ 281,376	\$ 3,528,670	\$ 10,089	\$ 15,243	\$ 30,426	\$ 7,821,064	\$ 60,881	\$ 30,729	\$ 1,642,241	\$ 629,032	\$ 300	\$ 62,762	\$ 275,483	\$ 41,561,495	\$ 121,746	\$ 41,683,241
EXPENSES																								
Service Expenses:																								
501	Treatment Services																							
a	Counseling																							
1	Counseling, Individual	443,879	143,733	691	30,670	14,015	-	371,142	2,280	95,347	-	669	-	464,473	10,300	-	70,180	-	-	6,171	-	1,653,550	-	1,653,550
2	Counseling, Family	307,873	103,745	414	11,370	14,779	-	19,636	1,725	7,380	-	144	-	28,547	420	-	817	-	-	66	-	496,916	-	496,916
3	Counseling, Group	122,467	14,183	40	9,408	5,960	-	197,483	5	24,995	-	2,003	-	424,858	5,470	-	338,303	-	-	18,159	-	1,163,334	-	1,163,334
b	Consultation, Assessment & Specialized Testing	794,402	124,164	1,477	53,655	41,331	-	305,263	2,387	54,618	-	1,082	-	574,722	9,703	-	127,049	-	-	12,914	-	2,102,767	-	2,102,767
c	Other Professional	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Total Treatment Services	1,668,621	385,825	2,622	105,103	76,085	-	893,524	6,397	182,340	-	3,898	-	1,492,600	25,893	-	536,349	-	-	37,310	-	5,416,567	-	5,416,567
502	Rehabilitation Services																							
a	Living Skills Training	295,900	124,107	283	13,478	17,353	-	642,143	45	66,438	-	507	-	161,019	1,802	-	29,105	-	-	4,193	-	1,356,373	-	1,356,373
b	Cognitive Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Health Promotion	24,912	4,726	53	810	648	-	42,842	22	4,452	-	20	-	43,992	87	-	7,180	-	-	120	-	129,864	-	129,864
d	Supported Employment Services	1,491	-	-	-	82	-	584,235	88	41,491	-	-	-	14,204	-	-	24	-	-	74	-	641,689	-	641,689
e	Total Rehabilitation Services	322,303	128,833	336	14,288	18,083	-	1,269,220	155	112,381	-	527	-	219,215	1,889	-	36,309	-	-	4,387	-	2,127,926	-	2,127,926
503	Medical Services																							
a	Medication Services	-	-	-	73	-	-	24,930	-	2,134	-	-	-	246	-	-	-	-	-	-	-	27,383	-	27,383
b	Medical Management	208,487	32,742	695	12,674	10,777	-	591,837	1,198	83,830	595	391	-	313,354	5,940	-	11,747	-	-	148	-	1,274,415	-	1,274,415
c	Laboratory, Radiology & Medical Imaging	2,383	62	3	-	49	-	18,568	49	3,711	-	57	-	16,697	231	-	7,122	-	-	174	-	49,106	-	49,106
d	Electro-Convulsive Therapy	-	-	-	-	-	-	675	-	450	-	-	-	-	-	-	-	-	-	-	-	1,125	-	1,125
e	Total Medical Services	210,870	32,804	698	12,747	10,826	-	636,010	1,247	90,125	595	448	-	330,297	6,171	-	18,869	-	-	322	-	1,352,029	-	1,352,029
504	Support Services																							
a	Case Management	2,374,142	929,276	8,915	182,097	83,172	-	3,317,352	8,095	553,195	1,610	2,439	28,144	1,179,950	12,052	-	206,590	-	-	9,889	-	8,896,918	-	8,896,918
b	Personal Assistance	4,591	2,540	4,677	-	-	-	560,119	4,158	127,271	-	-	-	13,163	-	-	35	-	-	-	-	716,554	-	716,554
c	Family Support	131,344	65,685	572	2,043	7,243	-	20,346	20	1,780	-	-	-	12,786	-	-	746	-	-	-	-	242,565	-	242,565
d	Peer Support	7,034	3,152	52	17	84	-	53,823	18	4,391	-	-	-	27,748	231	-	7,793	-	-	179	-	104,522	-	104,522
e	Therapeutic Foster Care Services	15,946	1,426,437	-	-	-	-	239,262	-	-	-	-	-	-	-	-	-	-	-	-	-	1,681,645	-	1,681,645
f	Respite Care	325,660	293,363	784	-	34,522	-	76,863	-	-	-	-	-	4,598	-	-	-	-	-	-	-	735,790	-	735,790
g	Housing Support	-	901	55	13,725	-	-	-	-	166,201	-	-	-	-	-	-	18,720	-	-	-	-	199,602	-	199,602
h	Interpreter Services	-	2,937	139	57,129	-	-	-	26	12,583	-	-	-	-	481	-	1,642	-	-	18	-	74,955	-	74,955
i	Flex Fund Services	-	-	-	42,087	-	-	-	-	3,456	-	-	-	-	-	-	9,075	-	-	-	-	54,618	-	54,618
j	Transportation	209,606	105,964	264	6,227	4,554	-	558,348	224	73,680	-	-	-	145,482	-	-	10,869	-	-	86	-	1,115,304	-	1,115,304
k	Block Purchase NTXIX Consumer Drop In Center	-	-	-	-	-	-	133,071	-	44,357	-	-	-	320,734	-	-	44,357	-	-	-	-	542,519	-	542,519
l	Total Support Services	3,068,323	2,830,255	15,458	303,325	129,575	-	4,959,184	12,541	986,914	1,610	2,439	28,144	1,704,461	12,764	-	299,827	-	-	10,172	-	14,364,992	-	14,364,992
505	Crisis Intervention Services																							
a	Crisis Intervention - Mobile	269,878	30,947	1,000	50,941	2,169	-	143,630	2,752	55,000	-	-	-	358,002	-	-	22,000	-	-	-	-	936,319	-	936,319
b	Crisis Services	237,493	27,233	880	44,828	1,909	-	126,394	2,422	48,400	-	-	-	315,042	-	-	19,360	-	-	-	-	823,961	-	823,961
c	Crisis Phones	32,385	3,714	120	6,113	260	-	17,236	330	6,600	-	-	-	42,960	-	-	2,640	-	-	-	-	112,358	-	112,358
d	Total Crisis Intervention Services	539,756	61,894	2,000	101,882	4,338	-	287,260	5,504	110,000	-	-	-	716,004	-	-	44,000	-	-	-	-	1,872,638	-	1,872,638
506	Inpatient Services																							
a	Hospital																							
1	Psychiatric (Provider Types 02 & 71)	103,070	329,944	48,528	-	6,066	-	352,828	45,255	59,607	-	-	-	81,919	-	-	-	-	-	-	-	1,027,217	-	1,027,217
2	Detoxification (Provider Types 02 & 71)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Sub acute Facility																							
1	Psychiatric (Provider Types B5 & B6)	-	-	-	-	-	-	-	-	137,795	-	-	-	30,715	-	-	-	-	-	-	-	168,510	-	168,510
2	Detoxification (Provider Types B5 & B6)	-	-	-	-	-	-	2,500	2,000	3,500	-	-	-	70,000	-	-	9,000	-	-	-	-	87,000	-	87,000
c	Residential Treatment Center (RTC)																							
1	Psychiatric - Secure & Non-Secure Provider Types 78,B1,B2,B3)	104,382	196,814	22,325	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	323,521	-	323,521
2	Detoxification - Secure & Non-Secure (Provider Types 78,B1,B2,B3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Inpatient Services, Professional	123	-	-	-	-	-	111,672	307	10,845	-	-	-	41,032	-	-	10,640	-	-	-	-	174,619	-	174,619
e	Total Inpatient Services	207,575	526,758	70,853	-	6,066	-	467,000	47,562	211,747	-	-	-	223,666	-	-	19,640	-	-	-	-	1,780,867	-	1,780,867

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES BY LINE OF BUSINESS - GSA 3
YEAR ENDED JUNE 30, 2008

		TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL	
507	Residential Services																								
a	Level II Behavioral Health Residential Facilities	175,173	337,351	-	-	-	-	1,489,660	3,406	170,173	-	-	-	706,238	-	-	108,745	-	-	-	-	2,990,746	-	2,990,746	
b	Level III Behavioral Health Residential Facilities	10,497	-	-	-	-	-	655,180	1,502	26,360	-	-	-	5,019	-	-	-	-	-	-	-	698,558	-	698,558	
c	Room and Board	-	-	-	26,067	-	-	-	1,300	274,432	-	-	-	-	-	-	213,065	-	-	-	1,808	-	516,672	-	516,672
d	Total Residential Services	185,670	337,351	-	26,067	-	-	2,144,840	6,208	470,965	-	-	-	711,257	-	-	321,810	-	-	-	1,808	-	4,205,976	-	4,205,976
508	Behavioral Health Day Program																								
a	Supervised Day Program	12,237	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,237	-	12,237	
b	Therapeutic Day Program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
c	Medical Day Program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
d	Total Behavioral Health Day Program	12,237	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,237	-	12,237	
509	Prevention Services																								
a	Prevention	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	450,262	-	-	-	450,262	-	450,262	
b	HIV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55,900	-	-	-	-	55,900	-	55,900	
c	Total Prevention Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55,900	450,262	-	-	-	506,162	-	506,162	
510	Medication																								
a	Medication Expense	623,449	126,172	73,538	43,825	61,866	-	1,313,340	141,307	878,109	295	4,689	-	1,376,488	5,482	31,855	44,088	-	-	-	-	4,724,503	-	4,724,503	
b	Less Pharmacy Rebate Received	(37,776)	(7,786)	(7,292)	(2,216)	(3,918)	-	(77,093)	(7,297)	(36,322)	(1)	(269)	-	(74,788)	(285)	(4,919)	(1,359)	-	-	-	-	(261,321)	-	(261,321)	
c	Pharmacy Rebate Related Expense	37,776	7,778	7,292	2,216	3,918	-	77,093	7,297	36,322	1	269	-	74,788	285	4,919	1,359	-	-	-	-	261,313	-	261,313	
d	Total Medication Services	623,449	126,164	73,538	43,825	61,866	-	1,313,340	141,307	878,109	295	4,689	-	1,376,488	5,482	31,855	44,088	-	-	-	-	4,724,495	-	4,724,495	
511	Other ADHS Service Expenses Not Rpt'd Above*	134,612	30,368	10,098	39,803	12,432	-	132,066	14,719	375,865	178	1,170	77	262,471	1,862	38,742	129,416	13,536	300	4,105	-	1,201,820	-	1,201,820	
512	ADHS/DOC COOL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
513	Subtotal ADHS Service Expenses	6,973,416	4,460,252	175,603	647,040	319,271	-	12,102,444	235,640	3,418,446	2,678	13,171	28,221	7,036,459	54,061	70,597	1,506,208	463,798	300	58,104	-	37,565,709	-	37,565,709	
520	Service Expenses from Non ADHS Sources*	12,300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	257,297	269,597	-	269,597	
525	Total Service Expense	6,985,716	4,460,252	175,603	647,040	319,271	-	12,102,444	235,640	3,418,446	2,678	13,171	28,221	7,036,459	54,061	70,597	1,506,208	463,798	300	58,104	257,297	37,835,306	-	37,835,306	
Administrative Expenses:																									
601	Salaries	266,664	162,921	7,511	24,457	11,169	-	452,404	10,231	124,160	(514)	(1)	35	279,446	96	1,535	56,894	40,822	-	2,169	-	1,439,999	-	1,439,999	
602	Employee Benefits	70,583	43,123	1,988	6,474	2,956	-	119,746	2,708	32,864	(136)	-	9	73,966	26	406	15,059	10,805	-	574	-	381,151	-	381,151	
603	Professional & Outside Services	49,877	30,473	1,405	4,575	2,089	-	84,617	1,914	23,223	(96)	-	7	52,267	18	287	10,641	7,635	-	406	-	269,338	-	269,338	
604	Travel	10,378	6,341	292	952	435	-	17,607	398	4,832	(20)	-	1	10,876	4	60	2,214	1,589	-	84	-	56,043	-	56,043	
605	Occupancy	53,504	32,689	1,507	4,907	2,241	-	90,771	2,053	24,912	(103)	-	7	56,069	19	308	11,415	8,191	-	435	-	288,925	-	288,925	
606	Depreciation	31,185	19,053	878	2,860	1,306	-	52,907	1,196	14,520	(60)	-	4	32,680	11	179	6,654	4,774	-	254	-	168,401	-	168,401	
607	All Other Operating*	27,277	13,384	782	2,172	11,791	-	47,432	1,048	10,928	3,007	433	3	27,393	1,927	132	5,049	3,309	-	176	-	156,243	-	156,243	
608	Subtotal ADHS Administrative Expenses	509,468	307,984	14,363	46,397	31,987	-	865,484	19,548	235,439	2,078	432	66	532,697	2,101	2,907	107,926	77,125	-	4,098	-	2,760,100	-	2,760,100	
650	Non ADHS Administrative Expenses*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
651	Unrelated Admin. Expense*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	86,107	86,107	-	86,107	
652	Subtotal Administrative Expense	509,468	307,984	14,363	46,397	31,987	-	865,484	19,548	235,439	2,078	432	66	532,697	2,101	2,907	107,926	77,125	-	4,098	86,107	2,846,207	-	2,846,207	
701	Unrelated Business Expenses*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
790	Income Tax Provisions																								
a	ADHS Income Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
b	Non ADHS Income Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
799	Subtotal Income Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
800	TOTAL EXPENSES	7,495,184	4,768,236	189,966	693,437	351,258	-	12,967,928	255,188	3,653,885	4,756	13,603	28,287	7,569,156	56,162	73,504	1,614,134	540,923	300	62,202	343,404	40,681,513	-	40,681,513	
801	INC/(DEC) IN NET ASSETS/EQUITY	\$ 769,294	\$ (764,320)	\$ 2,203	\$ 35,211	\$ 19,865	\$ -	\$ 644,937	\$ 26,188	\$ (125,215)	\$ 5,333	\$ 1,640	\$ 2,139	\$ 251,908	\$ 4,719	\$ (42,775)	\$ 28,107	\$ 88,109	\$ -	\$ 560	\$ (67,921)	\$ 879,982	\$ 121,746	\$ 1,001,728	

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES BY LINE OF BUSINESS - GSA 5
YEAR ENDED JUNE 30, 2008

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXIX CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXIX ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL		
REVENUES																									
401	Revenue Under ADHS Contract																								
a	ADHS Revenue	\$ 36,029,398	\$ 34,249,590	\$ 1,457,377	\$ 3,027,586	\$ 2,970,495	-	\$ 57,295,601	\$ 2,622,798	\$ 18,698,484	\$ 126,516	\$ 55,491	\$ 166,556	\$ 41,279,585	\$ 299,962	\$ 3,531,653	\$ 7,715,182	\$ 2,340,316	\$ 15,300	\$ 459,695	-	\$ 212,341,585	-	\$ 212,341,585	
b	ADHS Revenue - Qualifying Incentive Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 938,963	938,963		
402	Specialty & Other Grants*	2,050	-	-	-	-	-	-	-	-	-	-	-	61,291	-	-	-	-	-	-	2,261,538	2,324,879	-	2,324,879	
403	Client Fees (Co-pays)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
404	Third Party Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
a	Medicare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
b	Other Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
405	Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,578,435	1,578,435		
406	Other Funding Sources - Non ADHS*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	218,625	218,625		
407	Unrelated Business Activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,103,355	2,103,355		
408	TOTAL REVENUE	\$ 36,031,448	\$ 34,249,590	\$ 1,457,377	\$ 3,027,586	\$ 2,970,495	\$ -	\$ 57,295,601	\$ 2,622,798	\$ 18,698,484	\$ 126,516	\$ 55,491	\$ 166,556	\$ 41,340,876	\$ 299,962	\$ 3,531,653	\$ 7,715,182	\$ 2,340,316	\$ 15,300	\$ 459,695	\$ 2,261,538	\$ 214,666,464	\$ 4,839,378	\$ 219,505,842	
EXPENSES																									
Service Expenses:																									
501	Treatment Services																								
a	Counseling																								
1	Counseling, Individual	1,997,782	1,720,882	22,622	95,077	166,005	-	1,323,592	27,420	487,749	1,332	1,947	-	1,228,343	18,758	23,499	116,456	-	-	4,317	-	7,235,781	-	7,235,781	
2	Counseling, Family	3,016,071	1,562,777	34,039	99,543	257,261	-	41,962	2,454	14,851	815	1,328	-	121,157	4,954	3,274	3,567	-	-	851	-	5,164,904	-	5,164,904	
3	Counseling, Group	466,640	196,146	944	24,558	32,708	-	831,985	8,794	276,236	603	874	-	1,143,741	3,195	20,084	118,841	-	-	172,394	-	3,297,743	-	3,297,743	
b	Consultation, Assessment & Specialized Testing	3,686,142	1,546,039	49,102	133,452	324,664	-	1,621,860	46,252	601,598	7,522	4,521	-	3,175,365	45,382	92,244	230,289	-	-	113,745	-	11,678,177	-	11,678,177	
c	Other Professional	76	-	-	-	15	-	-	-	2,063	-	-	-	-	3	1,599	9,053	-	-	-	-	12,809	-	12,809	
d	Total Treatment Services	9,166,711	5,025,844	106,707	352,630	780,653	-	3,819,399	84,920	1,382,497	10,272	8,670	-	5,668,606	72,292	140,700	478,206	-	-	291,307	-	27,389,414	-	27,389,414	
502	Rehabilitation Services																								
a	Living Skills Training	838,234	2,003,283	10,748	39,235	37,621	-	4,172,041	264,945	500,932	494	186	-	726,172	2,296	13,993	24,438	-	-	18,469	-	8,653,087	-	8,653,087	
b	Cognitive Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
c	Health Promotion	152,986	128,085	2,076	6,131	17,263	-	170,542	11,418	36,198	75	180	-	103,246	880	2,088	11,068	-	-	952	-	643,188	-	643,188	
d	Supported Employment Services	797	1,631	-	33	-	-	158,469	372	29,381	317	-	-	24,856	-	675	1,146	-	-	-	-	217,677	-	217,677	
e	Total Rehabilitation Services	992,017	2,132,999	12,824	45,399	54,884	-	4,501,052	276,735	566,511	886	366	-	854,274	3,176	16,756	36,652	-	-	19,421	-	9,513,952	-	9,513,952	
503	Medical Services																								
a	Medication Services	3,733	542	-	-	-	-	1,177,262	15,583	288,597	-	-	-	1,413,196	7,618	6,285	464,590	-	-	63	-	3,377,469	-	3,377,469	
b	Medical Management	1,359,621	373,690	33,989	27,638	128,766	-	2,309,993	50,708	717,517	13,601	887	-	1,583,791	23,098	46,646	55,725	-	-	1,564	-	6,727,234	-	6,727,234	
c	Laboratory, Radiology & Medical Imaging	46,832	13,234	1,388	755	5,309	-	111,904	4,969	36,427	762	75	-	173,037	702	925	17,700	-	-	-	-	414,019	-	414,019	
d	Electro-Convulsive Therapy	-	-	-	-	-	-	(14,472)	-	(6,854)	-	-	-	5,950	-	-	-	-	-	-	-	(15,376)	-	(15,376)	
e	Total Medical Services	1,410,186	387,466	35,377	28,393	134,075	-	3,584,687	71,260	1,035,687	14,363	962	-	3,175,974	31,418	53,856	538,015	-	-	1,627	-	10,503,346	-	10,503,346	
504	Support Services																								
a	Case Management	7,360,235	7,015,098	142,644	367,513	516,702	-	11,152,353	266,992	2,936,103	44,812	7,587	154,064	6,921,450	68,995	171,723	429,845	-	-	105,024	-	37,661,140	-	37,661,140	
b	Personal Assistance	101,178	406,677	51,609	1,169	21,557	-	2,917,674	575,625	412,430	-	48	-	1,937,903	-	7,523	2,960	-	-	-	-	6,436,353	-	6,436,353	
c	Family Support	388,480	470,489	11,021	19,616	28,943	-	16,949	2,252	3,383	-	24	-	32,001	197	487	8,051	-	-	-	-	981,893	-	981,893	
d	Peer Support	131,440	60,986	1,828	2,623	20,676	-	200,563	525	35,241	-	145	-	51,226	-	887	3,101	-	-	-	-	509,241	-	509,241	
e	Therapeutic Foster Care Services	524,494	6,064,793	19,571	11,062	4,291	-	297,082	28,919	38,462	-	-	-	43,725	-	813	-	-	-	-	-	7,033,212	-	7,033,212	
f	Respite Care	636,627	277,182	4,829	7,920	27,811	-	37,348	342	301	-	-	-	15,310	-	6	316	-	-	-	-	1,007,992	-	1,007,992	
g	Housing Support	-	-	27	-	-	-	-	31	11,232	-	-	-	-	-	31	870	814	-	-	-	-	13,005	-	13,005
h	Interpreter Services	-	154,070	3,649	408,433	-	-	-	979	38,510	-	-	-	-	1,694	11,429	2,607	-	-	174	-	621,545	-	621,545	
i	Flex Fund Services	-	-	-	164,160	-	-	-	-	15,000	-	-	-	-	-	-	9,680	-	-	-	-	188,840	-	188,840	
j	Transportation	337,024	187,944	2,492	10,800	19,632	-	284,259	3,965	52,106	-	33	-	158,117	-	2,350	22,178	-	-	628	-	1,081,528	-	1,081,528	
k	Block Purchase NTXIX Consumer Drop In Center	-	-	-	-	-	-	960,254	46,983	241,417	1,000	-	-	230,191	-	-	4,250	-	-	-	-	1,484,095	-	1,484,095	
l	Total Support Services	9,479,478	14,637,239	237,670	993,296	639,612	-	15,866,482	926,613	3,784,185	45,812	7,837	154,064	9,389,923	70,917	196,088	483,802	-	-	105,826	-	57,018,844	-	57,018,844	
505	Crisis Intervention Services																								
a	Crisis Intervention - Mobile	175,183	82,005	7,543	64,802	27,060	-	127,556	1,834	84,000	700	700	-	402,983	7,700	341,407	44,800	-	-	-	-	1,368,273	-	1,368,273	
b	Crisis Services	938,483	439,315	40,411	347,154	144,965	-	683,333	9,825	450,000	3,750	3,750	-	2,158,840	41,250	1,828,968	240,000	-	-	-	-	7,330,044	-	7,330,044	
c	Crisis Phones	137,644																							

COMMUNITY PARTNERSHIP OF SOUTHERN ARIZONA, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES BY LINE OF BUSINESS - GSA 5
YEAR ENDED JUNE 30, 2008

		TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXIX CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXIX ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
b	Level III Behavioral Health Residential Facilities	313,315	1,298,342	-	25,725	13,071	-	-	-	-	-	-	-	7,686	-	-	-	-	-	-	-	1,658,139	-	1,658,139
c	Room and Board	-	124,539	14,051	150,499	-	-	-	4,395	854,991	1,199	-	-	-	888	72,542	1,381,169	-	-	3,741	-	2,608,014	-	2,608,014
d	Total Residential Services	2,091,354	3,837,780	33,229	225,638	76,510	-	5,112,618	8,125	1,673,729	5,540	595	-	4,451,927	2,900	120,452	3,319,468	-	-	11,255	-	20,971,120	-	20,971,120
508	Behavioral Health Day Program																							
a	Supervised Day Program	4,983	3,786	-	-	-	-	-	-	1,652	-	-	-	-	-	-	-	-	-	-	-	10,421	-	10,421
b	Therapeutic Day Program	613,347	360,264	1,624	30,154	85,861	-	36,926	1,759	15,360	-	-	-	90,837	-	801	25,114	-	-	44	-	1,262,091	-	1,262,091
c	Medical Day Program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Total Behavioral Health Day Program	618,330	364,050	1,624	30,154	85,861	-	36,926	1,759	17,012	-	-	-	90,837	-	801	25,114	-	-	44	-	1,272,512	-	1,272,512
509	Prevention Services																							
a	Prevention	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,876,411	-	-	-	1,876,411	-	1,876,411
b	HIV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	311,224	-	-	-	-	311,224	-	311,224
c	Total Prevention Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	311,224	1,876,411	-	-	-	2,187,635	-	2,187,635
510	Medication																							
a	Medication Expense	3,961,119	884,697	602,405	77,728	394,641	-	8,428,357	911,371	7,124,914	9,380	13,949	-	5,863,785	50,828	162,764	1,445	-	-	-	-	28,487,383	-	28,487,383
b	Less Pharmacy Rebate Received	(195,212)	(50,939)	(26,278)	(1,240)	(21,746)	-	(468,889)	(46,900)	(348,805)	(315)	(577)	-	(345,377)	(3,340)	(11,045)	(2,156)	-	-	-	-	(1,522,819)	-	(1,522,819)
c	Pharmacy Rebate Related Expense	191,987	49,296	26,278	1,141	21,706	-	460,400	46,868	346,335	315	549	-	332,063	3,316	3,746	350	-	-	-	-	1,484,350	-	1,484,350
d	Total Medication Services	3,957,894	883,054	602,405	77,629	394,601	-	8,419,868	911,339	7,122,444	9,380	13,921	-	5,850,471	50,804	155,465	(361)	-	-	-	-	28,448,914	-	28,448,914
511	Other ADHS Service Expenses Not Rpt'd Above*	647,455	254,059	54,682	479,982	76,927	-	931,619	81,801	621,917	1,124	2,896	553	1,268,521	12,403	279,638	643,631	194,626	15,600	11,447	-	5,578,881	-	5,578,881
512	ADHS/DOC COOL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
513	Subtotal ADHS Service Expenses	31,854,010	30,140,670	1,270,415	2,695,993	2,637,800	-	51,803,973	2,578,104	20,430,802	97,377	47,280	154,617	40,634,035	303,910	3,398,912	6,963,494	2,071,037	15,600	440,927	-	197,538,956	-	197,538,956
520	Service Expenses from Non ADHS Sources*	2,050	-	-	-	-	-	224,145	-	798,845	-	-	-	143,266	-	74,730	-	-	-	-	2,065,041	3,308,077	-	3,308,077
525	Total Service Expense	31,856,060	30,140,670	1,270,415	2,695,993	2,637,800	-	52,028,118	2,578,104	21,229,647	97,377	47,280	154,617	40,777,301	303,910	3,473,642	6,963,494	2,071,037	15,600	440,927	2,065,041	200,847,033	-	200,847,033
Administrative Expenses:																								
601	Salaries	1,121,359	1,070,330	50,085	95,573	90,572	-	1,863,407	86,731	712,146	2,329	1,886	2,379	1,495,953	12,068	133,076	291,417	144,307	-	25,296	-	7,198,914	-	7,198,914
602	Employee Benefits	298,281	284,707	13,323	25,422	24,092	-	495,666	23,071	189,431	619	502	633	397,923	3,210	35,398	77,517	38,386	-	6,729	-	1,914,910	-	1,914,910
603	Professional & Outside Services	208,522	199,032	9,313	17,772	16,842	-	346,509	16,128	132,427	433	351	442	278,179	2,244	24,746	54,190	26,835	-	4,704	-	1,338,669	-	1,338,669
604	Travel	44,456	42,433	1,986	3,789	3,591	-	73,875	3,438	28,233	92	75	94	59,307	478	5,276	11,553	5,721	-	1,003	-	285,400	-	285,400
605	Occupancy	226,304	216,006	10,108	19,288	18,279	-	376,059	17,503	143,720	470	381	480	301,902	2,435	26,856	58,812	29,123	-	5,105	-	1,452,831	-	1,452,831
606	Depreciation	129,559	123,663	5,787	11,042	10,464	-	215,293	10,021	82,279	269	218	275	172,838	1,394	15,375	33,670	16,673	-	2,923	-	831,743	-	831,743
607	All Other Operating*	142,015	84,738	6,031	7,674	8,278	-	301,897	11,966	57,165	366	173	188	217,381	1,114	10,524	23,374	11,388	-	1,996	-	886,268	1,661,966	2,548,234
608	Subtotal ADHS Administrative Expenses	2,170,496	2,020,909	96,633	180,560	172,118	-	3,672,706	168,858	1,345,401	4,578	3,586	4,491	2,923,483	22,943	251,251	550,533	272,433	-	47,756	-	13,908,735	1,661,966	15,570,701
650	Non ADHS Administrative Expenses*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
651	Unrelated Admin. Expense*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	499,915	499,915	-	499,915
652	Subtotal Administrative Expense	2,170,496	2,020,909	96,633	180,560	172,118	-	3,672,706	168,858	1,345,401	4,578	3,586	4,491	2,923,483	22,943	251,251	550,533	272,433	-	47,756	499,915	14,408,650	1,661,966	16,070,616
701	Unrelated Business Expenses*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,257,231	2,257,231
790	Income Tax Provisions																							
a	ADHS Income Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Non ADHS Income Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
799	Subtotal Income Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
800	TOTAL EXPENSES	34,026,556	32,161,579	1,367,048	2,876,553	2,809,918	-	55,700,824	2,746,962	22,575,048	101,955	50,866	159,108	43,700,784	326,853	3,724,893	7,514,027	2,343,470	15,600	488,683	2,564,956	215,255,683	3,919,197	219,174,880
801	INC(DEC) IN NET ASSETS/EQUITY	\$ 2,004,892	\$ 2,088,011	\$ 90,329	\$ 151,033	\$ 160,577	\$ -	\$ 1,594,777	\$ (124,164)	\$ (3,876,564)	\$ 24,561	\$ 4,625	\$ 7,448	\$ (2,359,908)	\$ (26,891)	\$ (193,240)	\$ 201,155	\$ (3,154)	\$ (300)	\$ (28,988)	\$ (303,418)	\$ (589,219)	\$ 920,181	\$ 330,962